Medicaid Reform Activities – Update

Design phase for all of the Health Care Transformation activities will be complete by March 31, 2005. The design approach for each program includes a review of clinical literature and best practices, through an agreement with the University of Iowa, and a review of other states' activities by DHS staff. DHS has also held two sets of advisory group meetings for public input on the designs. The groups will continue to meet monthly through March.

Note: The IowaCare Advisory Groups meet January 26 and 27, 2006 at the Iowa Medicaid Enterprise building. This update reflects activity through the last set of Advisory Group meetings.

Preliminary Design Plans and Updates

Pharmacy Assistance Clearinghouse
Program to help those without drug coverage through IowaCare access free or discounted prescription drug programs provided by the pharmaceutical industry. The current design plan is to contract with a vendor who provides this service until we can determine the extent to which the services will be used. The Insurance Division has a similar mandate, so we are working with them on an RFP.

Nurse Hotline
This is a program to provide IowaCare members with access to a 24-hour nurse help-line. There are a number of vendors of this type of service. The current design plan is also to contract with a vendor until we can determine the extent the services are used and avoid large start-up and overhead costs. Plan to issue an RFI in the near future.

Insurance Coverage – Uninsured, Underinsured, Costs and Barriers
DHS is required to contract with the Insurance division to research the uninsured in Iowa and barriers to accessing private insurance. The contract or memorandum of understanding, which is yet to be developed, would ask the Insurance Division to develop several specific indicators such as: a reasonable expectation of the number of persons affected by under/un insurance coverage; identification of barriers to obtaining coverage (i.e. premium cost, coverage limitations, copayments); and development of a definitive recommendation to the governor regarding potential expansion of the IowaCare population. We have also had conversations with the Iowa Insurance Consortium which is actively assisting the IME in developing a questionnaire to be sent to Iowa-based insurance carriers.

Indigent Care Task Force
HF 841 requires the Task Force to gather specific information about the quantity, cost, services and population receiving indigent health care in Iowa from any type of provider. DHS is starting with identifying what information and studies are already available on indigent care in Iowa, beginning with the Hospital Association, Iowa State Association of Counties, Community Health Centers and Rural Health Clinics and the Iowa Department

of Public Health. Once we have a better understanding of the information available currently, a questionnaire will be prepared for providers to gather additional information.

Premium Assistance
The premium assistance program is to pay for health insurance premiums of Iowa Care members when their employer pays 50% of the cost of those premiums. It will expand the health care of Iowa Care members to all services covered by the enrollee's health insurance policy. An interested member of the public has suggested discussion with the Iowa Department of concerning the effect of this initiative on employers and their health insurance policies. We will use the Premium Assistance Toolkit created by the National Academy for State Health Policy to help design the program.

IME – Cost, Quality, Compliance
DHS intends to seek accreditation by a nationally recognized certifying agency as a managed care organization. To this end, we have been communicating with the University of Iowa Public Policy Center (PPC). The PPC, in turn, has opened a channel of communication with the National Committee for Quality Assurance (NCQA) to determine the program under which the Iowa Medicaid Enterprise may be so accredited. We are also working with the U of I PPC to develop a contract that would seek to establish the "best practices" within the state of Iowa. In this manner we hope to establish comparability and measures that can compare the IME with those of the private insurance industry in Iowa.

Clinicians Advisory Committee
The IME Clinical Advisory Committee will be patterned after the Drug Utilization Committee and the Pharmacy & Therapeutics Committee. The Committee members will represent all medical services providers. The IME Medical Director and DHS staff are collaborating to identify potential committee members. The members identified for the committee will be recognized by their peers as leaders in quality improvement and utilization management.

The committee responsibilities will include:

- Member-specific utilization review (over/under utilization)
- Problem-focused utilization review (convene ad hoc groups to insure peer-to-peer review)
- Technology and Therapeutics review (advanced therapy and new technology)
- Administrative support (recommendations regarding policy issues)
- Member and provider education (provider and member newsletters, website)
- Quarterly report to the Medical Assistance Projects and Assessment Council
- Annual report summarizing recommendations

Pay for Performance
The program design would be based upon evaluation of public and private sector models, and on a voluntary basis with provider groups who elect to participate. Each provider group would be measured on national and state clinical standards in their profession. Compensation would be made to a provider who ranked above a set percentile for certain

measures when compared to their peers within their specialty group. A total annual pool of dollars for the incentive payments would be based on a percent from the previous years payment to a provider group. Providers that elect to participate will be reviewed and paid on a quarterly basis. The set standards and the process that would be developed for each provider grouping would be reviewed periodically.

Pricing Review

DHS is required to collect and review pricing data and make recommendations regarding pricing changes and reimbursement rates annually by January 1. The preliminary plan is to gather and compile readily available information such as cost report data, Medicaid payment data, Medicare fee schedules, Medicare reimbursement methodologies, Medicare public use files, and Medicaid reimbursement methodologies from comparable states. Using the information available, the Department will prepare various analyses to present to the Pricing Review Advisory Group for comments. A final report, to include comments from the Pricing Review Advisory Group, will be prepared and submitted to the general assembly. It is the expectation of the Department that all providers will be evaluated on an annual basis.

Electronic Medical Records

The preliminary design is to give providers access to the relevant information from claims data in the IME Data Warehouse through a web-based system. While the claims data does not provide all of the information that would be contained in a "medical record", it does contain a great deal of useful information. Information that will be available with include: prescription drugs, provider visits and provider names, tests, etc. It will not show test results or doctors notes, but will give information on when and who performed Medicaid covered services. The plan is to make this available to providers in January 2006.

Dental Home

Two strategies for meeting the mandate were outlined. Plan A will identify the standard of good dental care, measure the extent that children on Medicaid get that care and develop a plan to fill the gap, beginning with prevention. The Iowa CHCS Best Practices team is continuing to develop the preliminary prevention based action plan defined at the Institute. Plan B will include the elements of Plan A, but also will ensure that every child on Medicaid has a dentist who sees them regularly for exams, emergencies, and provides the same services as are provided to other patients. The Department will issue a Request for Information to determine interest and practicality of Plan B. The Department will then design a draft(s), circulate to the Advisory Group and others for comment, then finalize a plan based upon input.

Weight loss and Dietary counseling

The Iowa Medicaid program will need to establish a baseline. We are considering a study using chart reviews as a way to obtain the prevalence of obesity in the Medicaid population. We are also interested in information on how private insurers use incentives to assist providers or members address these issues.

Tobacco Cessation-Children
The Iowa Medicaid program needs to develop a baseline to determine the target established in legislation. A suggestion is to evaluate adding questions to the Youth BRFSS to determine the prevalence in the Medicaid population. The Medicaid program is planning to coordinate with the Iowa Department of Public Health in publicizing the Quit Line. The DHS plan will include a recommendation to increase the price of cigarettes as the best method of prevention.

Tobacco Cessation – Adults
A baseline needs to be established through a survey. DHS is working with DPH to utilize existing programs, such as the quitline. In addition, the IME medical director is determining how best to add coverage for prescription drugs to assist smoking cessation. We are also reviewing incentive strategies.

MR/DD Physical and Dental Assessment
The Department is mandated to work with the University of Iowa to determine whether the physical and dental needs of this population are being met and to identify any barriers to such care. The plan to enter into a contract with the University of Iowa to perform this assessment was reported to the Advisory Group. A hybrid methodology of both claims and medical records will be utilized to conduct the review. Comments were solicited from the group as to any special issues to consider for the assessment.

Health Risk Assessment, Checkup, and Individual Health Plan
The Department is collaborating with the Iowa Chronic Care Consortium to design and implement the health risk assessment. A workplan for deployment has been developed and shared with at the Iowa Medicaid Reform Projects Advisory Group Meeting, as well as, posted on the website. A pilot project will be implemented in January 2006, with full implementation scheduled for March 2006.

The IME staff is identifying billing codes to open for the initial checkup. Following identification of the codes, systems changes will be implemented for reimbursement. The plan is to allow coverage for the exams to begin on a voluntary basis in January 2006. The Individual Health Plan guidelines are under development.

Health Services Accounts
The Department is continuing to research the applicability of health service accounts within the Medicaid system.

ICF/MR Case Mix Reimbursement
The Department working in coordination with the Iowa Medicaid Enterprise Provider Audit and Rate Setting Unit are in the process of putting together a draft work plan outlining the steps that would be necessary to work towards a case mix reimbursement system for ICF/MR. It is essential to have an appropriate assessment tool with a case mix reimbursement system. The MH/DD/MR/BI Commission, University of Iowa, and the Iowa Association of Community Providers have been in the process of researching

assessment tools. Therefore, DHS will be working with these groups to learn from their research.

Plan to Enhance HCBS Alternatives for ICF/MR Services
The Department will be working with the stakeholders to enhance alternatives ICF/MR and to look at the current Home and Community Based Services Programs for individuals with mental retardation and brain injuries. In order to move forward it will be essential to work with stakeholders to identify what has been accomplished with the HCBS programs (ie. added services, assessment process, waiting list reduction), what is working and where the gaps continue to be for recipients. DHS will also be working with current ICF/MR providers to determine their strategic planning issues for the future, what they are working towards and any issues around their current or future services. Initial contact has been made to work in coordination with the Iowa Association of Community Providers (IACP) to survey providers.

Mental Health Transformation Pilot
This project relates to developing community based alternatives to preserve the federal funding currently received at the Mental Health Institutes under IowaCare. We are working with the University of Iowa to develop an agreement for assistance with this project. The first steps will be 1.) establishment of clinical guidelines; 2.) development of the standards of care in the community (Iowa), 3.) Identification of the overall need for inpatient psychiatric beds in Iowa and 4.) finally, an analysis of capacity without over-reliance on the MHI system in Iowa.

We have had conversations with the University and are expecting that this analysis can be quickly developed and initiated. Following that, IME will need to make some recommendations as to alternatives to restrictive inpatient hospitalizations and the development of capacity for community-based services. Note is made that Iowa has already established some measure of alternatives through its behavioral managed care plan for Medicaid members and some of this might lend itself to expansion to other populations.

Nursing Facility Level of Care
DHS worked with CMS throughout the fall on the State Plan Amendment that would increase the level of care for nursing facilities, while maintaining the existing, lower level of care required for home and community based waiver services. It appears CMS intends to disapprove the State Plan Amendment, although they have not taken this action to date. DHS will actively appeal this decision, while continuing to pursue the proposal with CMS through other process options, such as a combination of waivers suggested by CMS.

Case Management in the Elderly Waiver
On November 7th, 2005 the Department of Human Services submitted to the Centers for Medicaid and Medicare CMS Regional Office, Kansas City, a request for an Amendment to add Case Management as a service to the Elderly Waiver. The amendment was written in collaboration with the Department of Elder Affairs. The case

management provider would be the Area Agency's on Aging. If the amendment is approved the Department of Elder Affairs will match the nonfederal funds for the case management services and the Department of Human Services will apply for the federal financial participation funding.

The Department of Human Services will also prepare a Request for Information to receive input from any provider group(s) that may be interested in providing case management services. This is to determine if the services should be provided through a sole source provider or if a request for proposals process should be initiated.

HCBS - Making good choices
We are having discussion with various groups to discuss their ideas/suggestions to explore additional opportunities for Medicaid and other community resources to improve the ability of the consumer to transition from institutional to home and community care. The group will also prioritize the list they agree on and they will look to incorporate this information in their communication with their legislators.

Transportation
DHS received grant funding to enhance coordination and expansion of transportation service as a critical support for community living. This will support and enhance other HF 841 initiatives to promote home and community services. The preliminary design is to implement a regional service brokerage program, taking advantage of the success of other states in improving services while reducing costs to the Medicaid program. A Request for Information will be addressed to prospective candidates for multi-model brokerage services, to assess the level of interest and identify support needs.